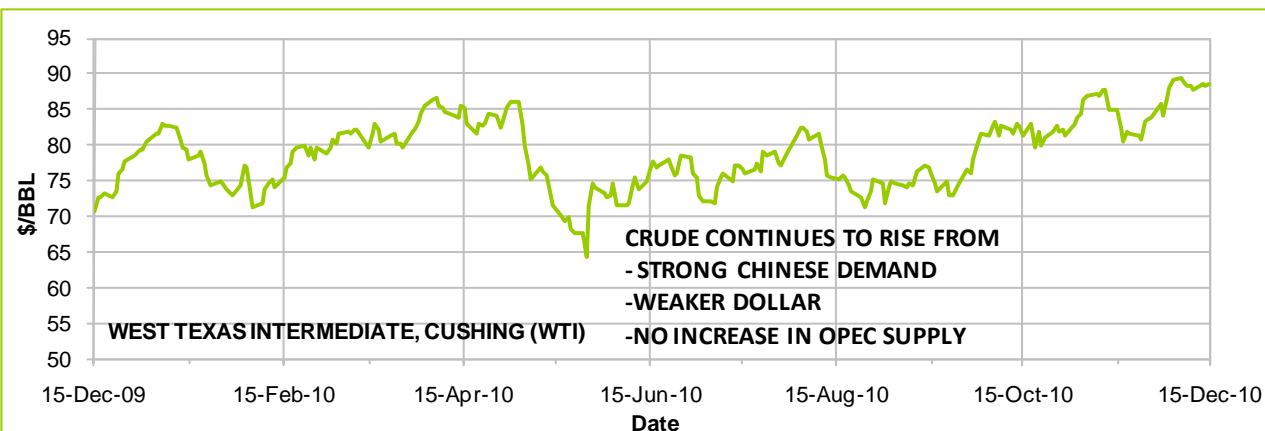


Crude Oil



Crude inventories fell by 9.9 million barrels this week as companies decreased product levels to lessen year-end inventory tax liabilities. The decline was more than 4 times greater than both the expected decline and the 5-year average decline. A 0.4% growth in domestic production was more than offset by an increase in crude flowing to refineries and a 15.1 fall in imports. This week's 88% refinery utilization level is the highest for this date since the pre-recession year of 2007. Inventories have worsened to 3.9% above last year and 7.4% above the 5-year average and they are now only the fourth highest level for this date.

Both spot prices and futures prices were higher this week as the dollar weakened, Chinese oil demand strengthened, and OPEC announced that it was not planning to increase production. The spot price settled at \$88.64, \$18.03 (26%) higher than a year ago. Futures prices were at \$90.65, \$14.72 (19%) higher than last year. Both prices are about 39% below their 2008 peak.

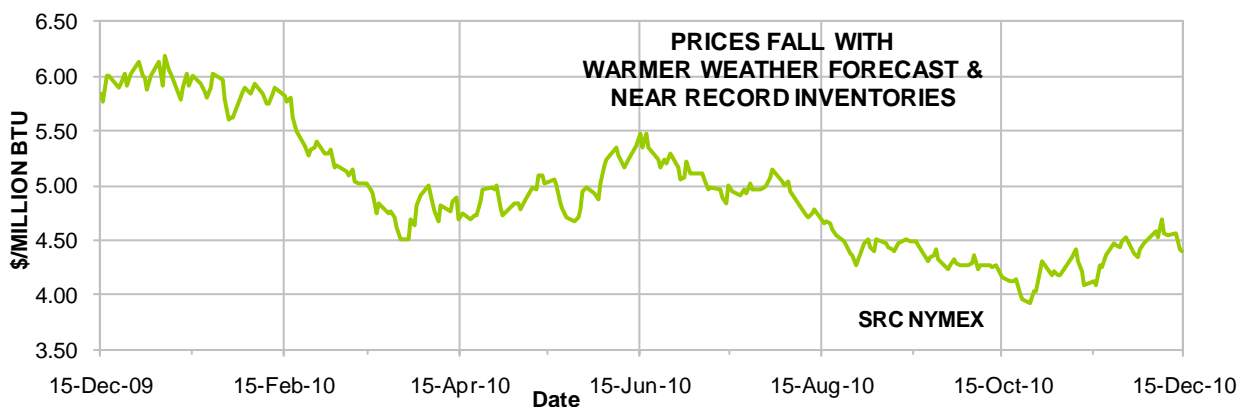


Natural Gas



Inventories fell this week by 164 BCF. The inventory decline was slightly less than the expected decline of 166 BCF and 7% larger than the 5-year average decline of 153 BCF. At 3,561 BCF, this week's inventory level is the second highest ever for the time period. It trails last year's record high by only 1.0% and it is 9.9% above the 5-year average. With the colder than normal weather, this season's draw of natural gas is running about 14% greater than the 5-year average.

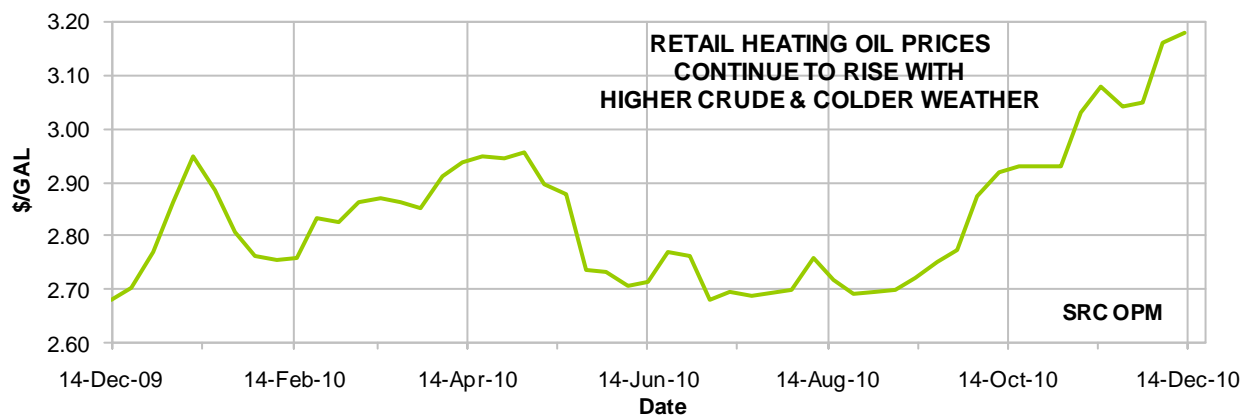
Forecasts for warmer weather and near record inventories pushed futures and spot prices 29 and 27 cents per million BTU lower this past week. Futures prices settled at \$4.396 per million BTU. This was \$1.448 (24.8%) lower than a year ago and 67% below the 2008 peak. Prices are at November 2002 levels. Spot prices settled at \$4.210 per million BTU. They are \$1.320 (23.9%) lower than a year ago and 68.4% below their 2008 peak. Spot prices had risen by 71.0 cents over the previous three weeks.





Distillate stocks increased by 1.1 million barrels this week compared to expectations of a 0.5 million decline and a five-year average fall of 0.1 million. Stocks are 2.1% below last year but they are the 2nd highest ever for this date, 16.8% above the five-year average.

Futures prices and spot prices have risen by more than 20 cents over the past 4 weeks from higher crude prices and colder weather. Futures prices settled at \$2.499/gal, 50.1 cents (25.1%) above last year but \$1.695 (40.4%) below 2008's peak. Spot prices were at \$2.463/gal, 58.7 cents (31.3%) above last year but \$1.617 (39.6%) below the 2008 peak. Retail prices rose by 1.8 cents this past week. They are now at \$3.181/gal, 50.1 cents (18.7%) above a year ago but \$1.586 (33.3%) below their 2008 peak. Prices have risen by 48.8 cents over the past 4 months. The highest price in this week's survey was \$3.799 and the lowest was \$2.849. Prices are at their highest level since October of 2008. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
14-Dec-09	2.851	3.290	2.440	2.648	2.999	2.399	2.713	2.999	2.479
29-Nov-10	3.175	3.599	2.740	3.052	3.399	2.849	3.003	3.099	2.840
6-Dec-10	3.303	3.799	2.900	3.164	3.349	3.049	3.150	3.280	2.910
13-Dec-10	3.252	3.799	2.849	3.202	3.499	3.049	3.146	3.260	2.910
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
14-Dec-09	2.679	2.779	2.629	2.662	2.799	2.490	2.601	2.749	2.480
29-Nov-10	3.005	3.099	2.869	3.091	3.249	2.890	3.018	3.099	2.899
6-Dec-10	3.169	3.399	3.029	3.166	3.399	2.950	3.126	3.190	3.029
13-Dec-10	3.205	3.399	3.079	3.216	3.399	3.050	3.141	3.239	3.049
	NEW HAVEN								
	AVG	HIGH	LOW						
14-Dec-09	2.599	2.890	2.290						
29-Nov-10	2.972	3.249	2.659						
6-Dec-10	3.070	3.349	2.800						
13-Dec-10	3.109	3.349	2.890						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning December 13, 2010. Figures reflect per gallon prices without discount.

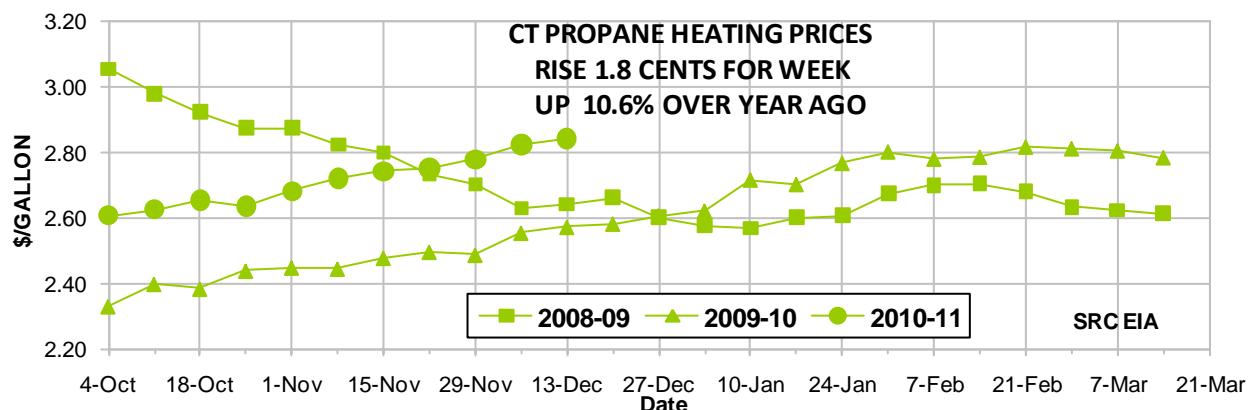
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories fell by 1.9 million barrels this week. This compares to a 5-year average decline for the week of 2.4 million barrels. Current storage levels have improved to 5.4% above last year. Eleven weeks ago they trailed by 12.8%. Inventories are 1.5% below the 5-year average compared to 4.6% below it eight weeks ago.

Spot propane prices generally track crude oil prices. They were 5.2 cents higher this week and have risen by 13.0 cents over the past 4 weeks. At \$1.311 per gallon yesterday, spot prices were 18.3 cents (16.2%) higher than a year ago but 33.8% lower than their peak 2008 price. The average Connecticut retail price for home heating was \$2.844/gal in this week's survey. This is 1.8 cents higher than last week and 27.2 cents (10.6%) higher than a year ago. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



Gasoline inventories rose by 0.8 million barrels this week. This was less than the expected gain of 1.8 million as well as less than the 5-year average gain of 1.4million barrels. Inventories levels have worsened to 1.1% below last year but they are 4.4% above the 5-year average.

Futures prices rose by 1.2 cents this past week. At \$2.360/gal, futures prices are 38.5 cents (19.5%) higher than last year. They are \$1.252 (34.7%) below their 2008 peak. Spot prices showed no change for the week. At \$2.325/gal, the spot price is 49.6 cents (27.1%) higher than a year ago. Spot prices are 31.9% (\$1.087) below their 2008 peak. Connecticut retail prices rose by 1.0 cents this week and by 43.6 cents over the past 11 weeks as gasoline reacted to higher crude prices and slower gasoline inventory growth. At \$3.228, prices are 43.8 cents (15.7%) higher than a year ago but 26.5% (\$1.162) below 2008's peak.

